

**Contribution to Williamsburg-James City
County Schools**

General Operating Fund

DESCRIPTION OF SERVICES

The Williamsburg-James City County Public Schools operates as an independent, regional school division. In FY 2003, the division will operate 12 schools – seven elementary schools, three middle schools, and two high schools. Funding is received from several sources – local appropriations, State aid, Federal aid, and charges for certain services. This budget provides for James City County’s share of the Schools’ operating budget and a contribution for debt service (repayment of borrowed funds, plus interest) relating to school facilities.

BUDGET SUMMARY

<u>Breakdown</u>	FY 03 Budget	FY 04 Adopted Plan*	Percent Change	FY 04 Budget	Percent Change
Local Contribution	\$ 43,768,188	\$ 46,443,538	6.1	\$ 46,837,028	7.0
State Sales Tax	5,720,757	6,066,435	6.0	5,703,245	(0.3)
	<u>\$ 49,488,945</u>	<u>\$ 52,509,973</u>	<u>6.1</u>	<u>\$ 52,540,273</u>	<u>6.2</u>
Debt Service	7,985,000	8,885,000	11.3	8,605,500	7.8
“Two Penny” Debt Service	1,047,000	1,118,400	6.8	1,160,000	10.8
Salary/Fringes–Board	18,450	18,450	0.0	18,450	-
	<u>\$ 58,539,395</u>	<u>\$ 62,531,823</u>	<u>6.8</u>	<u>\$ 62,324,223</u>	<u>6.5</u>

*Excludes \$335,951 in a contribution for grounds maintenance, shown on page C-55, that was part of the FY 2004 budget plan for the Schools.

BUDGET COMMENTS

The local contribution is made up of local revenues and the moneys provided to the County as a share of the State Sales Tax for Education. The amount listed for debt service is the amount contributed to the debt service fund to repay school debt. Salaries and fringe benefits for the five County Board members on the Williamsburg-James City County School Board are also shown.

The “Two Penny” Debt Service figure shown above represents a proposal to allocate the equivalent of two cents of the real estate tax as an additional contribution to the Debt Service Fund. This will allow the debt service fund to accumulate enough money to issue bonds in FY 2005 for a third high school and avoid a tax increase for the debt service incurred for that borrowing. This is better illustrated in the presentation of the Debt Service Fund in Section F of this budget.

The Schools remain the single largest investment of County funds.

The impact of this increase in County funds is shown on the next page as a component of total School Board revenues.

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The funding proposal recommended in this budget funds a total school budget as follows:

	FY 03 Adopted Budget	FY 04 School Board	Increase	FY 2004 Adopted Budget	Increase
County	\$ 49,488,945	\$ 53,215,786	\$ 3,726,841	\$ 52,540,273	\$ 3,051,328
City	6,513,030	6,813,302	300,272	6,726,814	213,784
Other	15,666,712	16,657,407	990,695	16,657,407	990,695
	<u>\$ 71,668,687</u>	<u>\$ 76,686,495</u>	<u>\$ 5,017,808</u>	<u>\$ 75,924,494</u>	<u>\$ 4,255,807</u>

Local Funding as
a percent of the

total budget	78.1%	78.4%	78.2%
Number of Students	8,553	8,653	8,653

Total Funding Per

Student	\$8,379	\$8,862	\$8,774
Including Debt Service	\$9,435	\$9,991	\$9,903

The City share is calculated to match the County's proposed under the current contract. City Council may appropriate either less than or more than the contribution shown above. The funding split for the County is 88.37 percent in FY 2003 and 88.65 percent in FY 2004.

As is illustrated, the Proposed Budget does not fully fund the budget requested for FY 2004 and is \$675,513 less than requested, including the offsetting City allocation, the pending recommendation is \$762,001 less than requested by the Schools. City Council may adopt a matching allocation or a figure more or less than the match, at its discretion. The amount that is funded by the County, \$52,540,273, represents 98.7 percent of the total School Board budget request.

State Support for Public Education

The Commonwealth of Virginia has established Standards of Quality, Standards of Learning, and other mandates for school divisions around the State. The State has failed to fully fund its share of the Standards of Quality. This has resulted in an ever-increasing dependency on local tax dollars to finance basic educational programs, teacher pay, and capital spending for schools.